

Appendix A

BILL NUMBER: AB 2061 CHAPTERED

BILL TEXT

CHAPTER 1072

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INTRODUCED BY Assembly Member Lowenthal
(Coauthor: Assembly Member Scott)

FEBRUARY 22, 2000

An act to add Chapter 8.6 (commencing with Section 44260) to Part 5 of Division 26 of the Health and Safety Code, relating to air pollution, making an appropriation therefore, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2061, Lowenthal. Zero-emission vehicles: alternative diesel fuel.

(1) Existing law contains various provisions relative to air pollution control.

This bill would create a grant program for the purchase and lease of zero-emission vehicles, as defined, in the state, to be developed and administered by the State Air Resources Board, in conjunction with the State Energy Resources Conservation and Development Commission. The program would provide grants to specified recipients in an amount equal to 90% of the incremental cost above \$1,000 of an eligible new zero-emission light-duty car or truck, as defined.

This bill would appropriate \$18,000,000 from the General Fund to the State Air Resources Board for allocation for the purposes of the bill.

(2) Existing law authorizes the State Air Resources Board, among other things, to adopt and implement motor vehicle fuel specifications for the control of air contaminants and the sources of air pollution.

This bill would appropriate \$500,000 from the General Fund to the State Air Resources Board for allocation for grants to air pollution control districts and air quality management districts for fiscal years 2000-01, 2001-02, and 2002-03. The bill would require districts receiving grants to use these funds to offset the incremental operating costs of alternative diesel fuel, as defined, and as used in heavy-duty vehicles and equipment, as specified.

(3) The bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 8.6 (commencing with Section 44260) is added to Part 5 of Division 26 of the Health and Safety Code, to read:

CHAPTER 8.6. ZERO-EMISSION VEHICLE GRANTS

44260. The state board, in conjunction with the State Energy Resources Conservation and Development Commission, shall develop and administer a program to provide grants to individuals, local governments, state agencies, nonprofit organizations, and private businesses, to encourage the purchase or lease of a new zero-emission vehicle.

44261. (a) The maximum available grant for any qualified recipient, as determined by the state board, shall be an amount equal to 90 percent of the incremental cost above one thousand dollars (\$1,000) of a new zero-emission light-duty car or truck eligible for the program.

(b) For the purposes of this chapter:

(1) "Incremental cost" means the amount determined by the State Energy Resources Conservation and Development Commission as the reasonable difference between the cost of the zero-emission vehicle and the cost of a comparable gasoline or diesel fueled vehicle.

(2) "New zero-emission vehicle" shall include previously leased vehicles that have been substantially upgraded, as determined by the state board, with new technologies, including, but not necessarily limited to, advanced batteries or power electronics.

44262. Grants made pursuant to this chapter shall be distributed in the following manner, in amounts as determined by the state board:

(a) Up to three thousand dollars (\$3,000) of the available grant funds may be provided for the first 12-month period of the lease or purchase of the vehicle.

(b) Up to three thousand dollars (\$3,000) of the remaining available grant funds may be provided for the second 12-month period of the lease or purchase of the vehicle.

(c) Up to three thousand dollars (\$3,000) of the remaining available grant funds may be provided for the third 12-month period of the lease or purchase of the vehicle.

(d) No grant funds shall be provided following the third 12-month period of the lease or purchase of the vehicle.

44263. In order to be eligible to receive a grant under this chapter, a zero-emission vehicle shall meet all of the following criteria:

(a) Be purchased on or leased on or after October 1, 2000, and on or before December 31, 2002. For purposes of this subdivision, a vehicle shall be deemed to be leased on the date upon which the lease of the vehicle commences.

(b) Be registered with the Department of Motor Vehicles for use in this state.

(c) Meet all applicable federal and state safety standards, or, if the vehicle is to be utilized solely for a demonstration program, have received the applicable waivers from the National Highway Traffic Safety Administration.

(d) Be capable of operation on a freeway, as determined by the state board in conjunction with the State Energy Resources Conservation and Development Commission.

(e) Any other criteria established by the state board.

44265. (a) The grant program described in this chapter may be administered by a local air management district or air pollution control district on a voluntary basis, provided that the district administers the program based upon the guidelines developed by the state board in conjunction with the State Energy Resources Conservation and Development Commission pursuant to subdivision (b) of Section 44264.

(b) Any district that voluntarily administers this grant program is authorized to provide grants from its own funding sources in an amount of five hundred dollars (\$500) to one thousand dollars (\$1,000) or more per year for each qualified zero-emission vehicle registered within the boundaries of its territorial jurisdiction.

SEC. 2. The sum of eighteen million dollars five hundred thousand dollars (\$18,500,000) is hereby appropriated from the General Fund to the State Air Resources Board for expenditure as follows:

(a) Eighteen million dollars (\$18,000,000), without regard to fiscal year, to implement Chapter 8.6 (commencing with Section 44260) of Part 5 of Division 26 of the Health and Safety Code.

(b) Five hundred thousand dollars (\$500,000) for grants for fiscal years 2000-01, 2001-02, and 2002-03 to air pollution control districts and air quality management districts.

(b) An air pollution control district or air quality management district that receives a grant under this section shall use these funds to offset the incremental operating costs of alternative diesel fuel, as defined in subdivision (d), and as used in heavy-duty vehicles and equipment. For the purposes of this section, heavy-duty vehicles and equipment include, all of the following:

- (1) On-road motor vehicles with a gross vehicle weight rating exceeding 14,000 pounds.
- (2) Off-road equipment with engines that exceed 50 horsepower.
- (3) Marine vessels.
- (4) Locomotives.
- (5) Stationary agricultural pump engines.
- (6) Forklifts.
- (7) Airport ground support equipment.

(c) Grants under this section shall be awarded only to air pollution control districts and air quality management districts that apply for funds under this section. These grants shall not be used to fund engine research and development, certification testing, training, or operational controls.

(d) As used in this section, "alternative diesel fuel" means a fuel emulsion that, when used in a conventional diesel engine, reduces oxides of nitrogen emissions by at least 10 percent and particulate matter emissions by at least 15 percent as compared to the 10 percent aromatic reference fuel as defined in subdivision (g) of Section 2282 of Title 13 of the California Code of Regulations. The emissions characteristics of any alternative diesel fuel shall be determined by the State Air Resources Board based on data submitted by the producer of the fuel in accordance with data and testing protocols specified by the State Air Resources Board. Alternative diesel fuel shall not increase toxic emissions and shall have hydrocarbon emissions that are at least 25 percent lower than the engine exhaust emissions standard.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to achieve early introduction of zero-emission vehicle technologies for the purposes of meeting federal and state air quality standards as soon as possible and providing grants for alternative diesel fuel, it is necessary that this act take effect immediately.